



CITY OF HUNTINGTON PARK
Oversight Board Agenda Report

June 22, 2016

Honorable Chair and Members of the Oversight Board
City of Huntington Park
6550 Miles Avenue
Huntington Park, CA 90255

Dear Members of the Oversight Board to the Community Development
Commission of the City of Huntington Park:

RESOLUTION NO. OSB 16-06 - A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON PARK COMMUNITY DEVELOPMENT COMMISSION APPROVING AN AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.3(b) TO PERMIT A GOVERNMENTAL PURPOSE TRANSFER OF PROPERTY LOCATED AT 7116 RUGBY AVENUE IN THE CITY OF HUNTINGTON PARK

IT IS RECOMMENDED THAT THE OVERSIGHT BOARD:

Adopt a resolution amending the Long Range Property Management Plan for disposition of the Rugby Avenue Parking Lots as a governmental purpose transfer to the City of Huntington Park.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Pursuant to Health and Safety Code Section 34191.5(b), the Successor Agency must prepare a Long-Range Property Management Plan ("LRPMP") that addresses the disposition and use of the real properties (and interests in real property) of the former City of Huntington Park Community Development Commission (the "Former CDC"). In accordance with State law, the LRPMP was submitted to the Oversight Board and the State Department of Finance ("DOF"). Subsequently, DOF completed its review and issued a letter, dated August 29, 2013, indicating approval of the LRPMP.

In September 2015, SB 107 was enacted into law, providing for certain amendments to the Dissolution Act, including changes to HSC Section 34181(a)(1) by adding "parking facilities and lots dedicated solely to public parking" as an example of real property for governmental purposes. SB 107 also added HSC Section 34191.3(b), which provides that if the DOF had approved a successor agency's LRPMP before January 1, 2016, the successor agency may

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON PARK COMMUNITY DEVELOPMENT COMMISSION APPROVING AN AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.3(b) RELATING TO A PROPERTY LOCATED AT 7116 RUGBY AVENUE IN THE CITY OF HUNTINGTON PARK

June 14, 2016

Page 2 of 3

amend its LRPMP once, to allow for the retention of real properties that constitute “parking facilities and lots dedicated solely to public parking” pursuant to Section 34181.

HSC Section 34191.3(c) further provides that, for the purpose of an amendment to the LRPMP pursuant to HSC Section 34191.3(b), the subject property must not be one which, as of the date of transfer pursuant to the amended LRPMP, generates revenues in excess of reasonable maintenance costs of the property.

Summary of Revisions to the Long Range Property Management Plan:

One of the properties contemplated under the LRPMP (located and generally known as 7116 Rugby Avenue) (the “Rugby Avenue Property”), was acquired by the former Redevelopment Agency, a portion in 1981 and the remainder in 1982, for the purpose of constructing and maintaining a public parking lot. The Rugby Avenue Property has been used continuously for public parking purposes since that time. The two parcels, consisting of approximately 24,428 square feet of land, are located behind Pacific Boulevard and include a total of 41 surface parking spaces (Exhibit A). The lots serve as free public parking for shoppers and merchants on Pacific Boulevard.

Due to the location and demand for public parking within the downtown area, the need for public parking remains. The Successor Agency wishes to amend the LRPMP pursuant to HSC Section 34191.3(b) to provide for the transfer of the Rugby Avenue Property to the City at no cost for public parking purposes.

There is currently no generation of revenue on the Rugby Avenue Property that is in excess of reasonable maintenance costs, and the City has no current intention of imposing parking charges on the Rugby Avenue Property (if such charge is to be imposed) in excess of amounts necessary to cover reasonable costs of maintaining the public parking lot.

A notice regarding the proposed adoption of the attached Resolution has been posted since June 8, 2016, more than ten days before the Oversight Board meeting.

FISCAL IMPACT

If the proposed amendment to the LRPMP is approved by the Oversight Board and the DOF, the Rugby Avenue Property will be transferred to the City at no cost and without further action by the Oversight Board.

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON PARK COMMUNITY DEVELOPMENT COMMISSION APPROVING AN AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.3(b) RELATING TO A PROPERTY LOCATED AT 7116 RUGBY AVENUE IN THE CITY OF HUNTINGTON PARK

June 14, 2016

Page 3 of 3

CONCLUSION

Staff recommends the Board adopt Resolution No. OSB 16-06

- a) approving an Amendment to the LRPMP to designate the Rugby Avenue Property as a governmental purpose transfer to the City of Huntington Park, at no cost;
- b) authorizing the Successor Agency to complete the transfer of the Rugby Avenue Property to the City, upon the effectiveness of the Resolution (which will occur upon the approval or deemed approval by the DOF), without further Oversight Board action; and
- c) finding that approval of the proposed amendment to the LRPMP is not a project pursuant to CEQA.

Respectfully submitted,



Manuel Acosta
Economic Development Manager

Attachments:

1. Resolution No. OSB 16-06, including Exhibit A

RESOLUTION NO. OSB-2016-06

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON PARK COMMUNITY DEVELOPMENT COMMISSION APPROVING AN AMENDMENT TO THE LONG RANGE PROPERTY MANAGEMENT PLAN PURSUANT TO HEALTH AND SAFETY CODE SECTION 34191.3(b) TO PERMIT A GOVERNMENTAL PURPOSE TRANSFER OF THE PROPERTY LOCATED AT 7116 RUGBY AVENUE IN THE CITY OF HUNTINGTON PARK

WHEREAS, pursuant to AB X1 26 (enacted in 2011), and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, 53 Cal. 4th 231 (2011), the City of Huntington Park Community Development Commission (the "Former Agency") was dissolved as of February 1, 2012; the Successor Agency to the City of Huntington Park Community Development Commission (the "Successor Agency") was constituted and the Oversight Board to the Successor Agency (the "Oversight Board") was established; and

WHEREAS, AB X1 26 added Part 1.8 (commencing with Section 34161) and Part 1.85 (commencing with Section 34170) to Division 24 of the California Health and Safety Code ("HSC"); and such Parts 1.8 and 1.85, together with any amendments and supplements thereto enacted from time to time, are collectively referred to herein as the "Dissolution Act"; and

WHEREAS, pursuant to HSC Section 34175(b), all real properties of the Former Agency transferred to the control of the Successor Agency by operation of law; and

WHEREAS, pursuant to HSC Section 34191.5, the Successor Agency prepared a long-range property management plan (the "LRPMP"); and

WHEREAS, the Oversight Board adopted Resolution No. OSB 2013-04 on June 12, 2013, approving the LRPMP; and

WHEREAS, the State Department of Finance (the "DOF") issued its letter dated August 29, 2013, indicating its approval of the LRPMP; and

WHEREAS, pursuant to HSC Section 34191.3, the DOF-approved LRPMP governs the disposition and use of the Former Agency's real property assets, and supersedes all other provisions of the Dissolution Act relating thereto; and

WHEREAS, listed on the LRPMP is a property located at 7116 Rugby Avenue (the "Rugby Avenue Property") which was acquired by the Former Agency acquired the Rugby Avenue Property to two parts, in 1981 and 1982, for the purpose of constructing and maintaining a public parking lot ; and

WHEREAS, the Rugby Avenue Property has at all times since the Former Agency acquisition been used for public parking purposes, but due to prior Department of Finance (DOF) interpretation of the Dissolution Act, the property was not considered by the DOF to qualify as parking facilities subject to a government purpose transfer and, therefore, the LRPMP provided for the sale of the Rugby Avenue Property; and

WHEREAS, in September 2015, SB 107 was enacted into law, providing for certain amendments to the Dissolution Act, including an amendment to HSC Section 34181(a)(1) by adding “parking facilities and lots dedicated solely to public parking” and which do not generate revenues in excess of reasonable maintenance costs, as an example of real property which may be transferred for governmental purposes; and

WHEREAS, SB 107 also added HSC Section 34191.3(b), which provides that if the DOF had approved a successor agency’s long-range property management plan before January 1, 2016, the successor agency may amend its long-range property management plan once, to allow for the retention of real properties that constitute “parking facilities and lots dedicated solely to public parking” pursuant to Section 34181; and

WHEREAS, HSC Section 34191.3(c) provides that, for the purpose of an amendment to the long-range property management plan pursuant to HSC Section 34191.3(b), the subject property must not be one which, as of the date of transfer pursuant to the amended long range property management plan, generates revenues in excess of reasonable maintenance costs of the property; and

WHEREAS, the Successor Agency wishes to amend the LRPMP pursuant to HSC Section 34191.3(b) to provide for the transfer of the Rugby Avenue Property to the City for public parking purposes; and

WHEREAS, there is currently no generation of revenue on the Rugby Avenue Property that is excess of reasonable maintenance costs; and

WHEREAS, the City has represented to the Oversight Board that the City has no current intention of imposing parking charges on the Rugby Avenue Property (if such charge is to be imposed) in excess of amounts necessary to cover reasonable costs of maintaining Rugby Avenue Property; and

WHEREAS, the Oversight Board wishes to approve the proposed amendment to the LRPMP designating the Rugby Avenue Property as a governmental purpose transfer to the City and authorize the governmental purpose transfer as a condition subsequent to DOF approval of the Amended LRPMP; and

WHEREAS, notice of the proposed action presented in this Resolution was posted at least ten days before this Oversight Board meeting;

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE CITY OF HUNTINGTON PARK COMMUNITY DEVELOPMENT COMMISSION HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The Oversight Board hereby approves the amendment to the LRPMP to designate the Rugby Avenue Property as a governmental purpose transfer to the City. A copy of the Amended LRPMP is attached as Exhibit A. Upon the effectiveness of this Resolution pursuant to the Dissolution Act or the written approval of the DOF, whichever comes first, the LRPMP shall be deemed so amended, effective immediately, and Successor Agency staff is directed to attach this Resolution, including Exhibit B (Rugby Avenue Property description) hereto, to the Successor Agency's LRPMP file.

Section 3. Upon the effectiveness of this Resolution pursuant to the Dissolution Act or receipt of written notice of approval from the DOF, whichever comes first, the Successor Agency shall be authorized and directed to proceed with the completion of the transfer of the Rugby Avenue Property to the City pursuant to the amended LRPMP without further Oversight Board action.

Section 4. This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"). Pursuant to the State CEQA Guidelines (14 Cal Code Regs 15000 et seq.) (the "Guidelines"), the Oversight Board has determined that the approval of the proposed amendment to the LRPMP is not a project pursuant to CEQA and is exempt from CEQA because it is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment (Guidelines Section 15378(b)(5)). Further, it can be seen with certainty that there is no possibility that approval of such amendment to the LRPMP may have a significant effect on the environment, and thus the action is exempt from CEQA (Guidelines Section 15061(b)(3)). Staff of the Successor Agency is hereby directed to prepare and post a notice of exemption pursuant to Guidelines Section 15062.

Section 5. The members of the Oversight Board and the officers and the staff Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution.

PASSED AND ADOPTED this _____ day of _____, 2016.

Chair

ATTEST:

Secretary

EXHIBIT A

Amended LRPMP

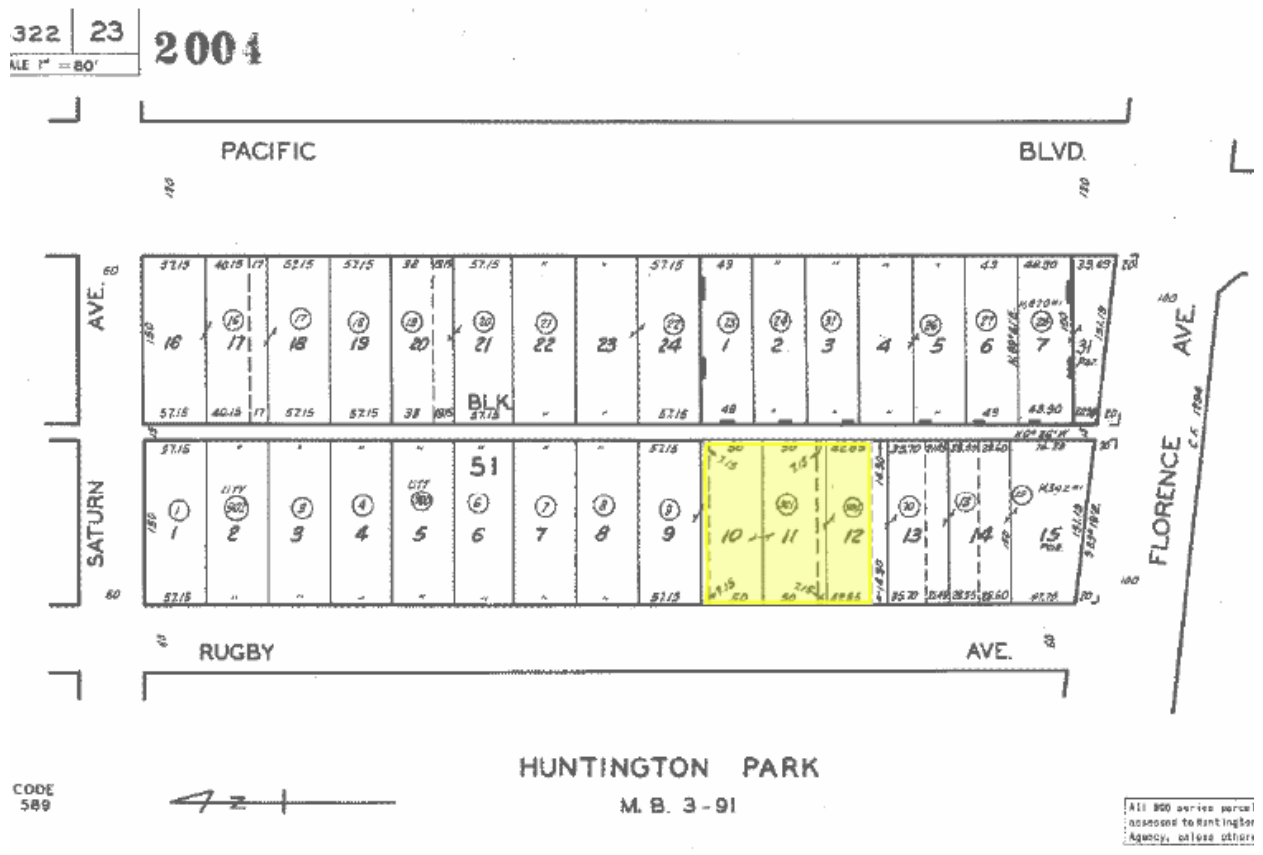
EXHIBIT B **PROPERTY DESCRIPTION**

APNs: 6322-023-901 (15,000 square feet) and 6322-023-904 (7,500 square feet)

Size: 22,500 square feet

Address: 7116 Rugby Avenue

Present Use: Public Parking Lots



STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS
CITY OF HUNTINGTON PARK)

I, Estevan Padilla, Secretary of the Oversight Board, DO HEREBY CERTIFY that the foregoing Oversight Board Resolution No. OSB 2016-06 was duly adopted by the Oversight Board and approved by the Chair at a meeting of said Oversight Board held on the 22nd day of June, 2016 and that it was so adopted as follows:

AYES:

NOES:

ABSENT:

ABSTAINING:

Dated:

Estevan Padilla, Deputy Clerk
Los Angeles County Board of Supervisors Acting as Secretary to
the Huntington Park Oversight Board